



## Appendix B

# ECONOMIC BENEFIT STUDY

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## ECONOMIC BENEFIT STUDY

### Williams Gateway Airport

#### EXECUTIVE SUMMARY

This report presents the results of a study of the economic benefits of Williams Gateway Airport on the airport service area for fiscal year 1998.

The Williams Gateway Airport service area includes the East Valley portion of Maricopa County, Arizona. The airport is located in the City of Mesa, adjacent to the rapidly growing communities of Gilbert and Queen Creek. By the year 2000, the combined Mesa, Gilbert and Queen Creek populations will exceed one half million persons.

The methodology of the economic benefit analysis follows procedures similar to those recommended by the Federal Aviation Administration, the Aircraft Owners and Pilots Association, and the American Association of Airport Executives.

Interviews and surveys of suppliers and users of aviation services were conducted to measure economic activity created and supported within the service area by the airport.

#### AIRPORT BENEFITS

Airports benefit the regional economy through the revenues, earnings and employment associated with aviation activity both on and off the airport. Airports create jobs, produce income, and influence regional spending levels. Economic activity on the airport includes outlays by both suppliers and

users of aviation services. Off airport activity is primarily linked to visitors and air travelers.

There are three *measures* of economic benefits used in this study:

- **Gross Revenues**
- **Earnings**
- **Employment**

**Gross revenues** measure the stream of dollars from airport-related economic activity and include sales of business firms, revenues of the airport authority, and spending by air travelers.

**Employment** is a measure of the number of jobs supported by the gross revenues within the service area, both on and off the airport.

**Earnings** represent the payments received by workers who create the goods and services that are sold to produce gross revenues.

There are four *types* of economic benefits associated with activity at Williams Gateway Airport.

**Direct Benefits** result from the supply of aviation goods and services on the airport. Producers of Direct Benefits at Williams Gateway Airport include private businesses and the airport administration.

**Indirect Benefits** are due to off-site activity caused by the presence of the aviation facility. Indirect Benefits in the Williams Gateway Airport service area result when air traveler

spending creates revenues, jobs, and earnings in the tourism sector.

**Induced Benefits** are the multiplier effects of the Direct and Indirect Benefits that occur as the initial dollars injected into the economy are re-spent within the service area. Multiplier effects come into play when, for example, an aircraft mechanic's wages are spent to purchase food, housing, clothing, and medical services in the local community. These second round dollars induce more jobs and earnings in the economy of the region, creating a multiplier or secondary impact.

**Total Benefits** are the sum of the Direct, Indirect and Induced Benefits. In this study, the combined Direct and Indirect Benefits will be referred to as Primary Benefits, but these may also be referred to as initial impacts. The Total Benefits encompass both the initial and secondary economic impacts of the airport on the service area on revenues, earnings, and employment.

The Total Benefits of Williams Gateway Airport in 1998 are illustrated in the box below.

The airport was the source of total gross revenues of \$114.8 million. This is the measure of all spending flows associated with the presence of the airport and incorporates all multiplier effects of Induced Benefits. This spending and output supported 1,220 jobs within the service area of the airport, with total earnings to workers of \$35.1 million.

#### **SUMMARY OF BENEFITS**

Direct, Indirect, and Induced Benefits created by Williams Gateway Airport are shown in Table 1.

## **Williams Gateway Airport Total Economic Benefits**

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- **1,220 Total Jobs Supported**
- **\$35.1 Million Total Earnings**
- **\$114.8 Million Gross Revenues**

**TABLE 1**  
**Total Economic Benefits: FY 1998**  
**Williams Gateway Airport**

	BENEFIT MEASURES		
	Gross Revenues	Earnings	Employees
<b>Direct Benefits:</b> <b>On-Airport Activity</b>  Aviation Businesses FBO Services Air Ambulance Air Cargo Aircraft Testing Administration Capital Projects	\$55,363,000	\$19,992,000	617
<b>Indirect Benefits:</b> <b>Air Visitors</b> <b>(GA Travel, Testing,</b> <b>Air Show)</b>  Lodging Food/Drink Retail Goods/Services Entertainment Ground Transport	2,758,000	674,000	41
<b>Primary Benefits:</b> <b>Summation of</b> <b>Direct Benefits &amp;</b> <b>Indirect Benefits</b>	58,121,000	20,666,000	658
<b>Induced Benefits</b> <b>(Multiplier Effects)</b>	56,675,000	14,406,000	562
<b>TOTAL BENEFITS</b>	<b>\$114,796,000</b>	<b>\$35,072,000</b>	<b>1,220</b>

## **Direct Benefits: On-Airport Activity**

There were twenty three on-site businesses located on Williams Gateway Airport in 1998. Combined with the airport administration, tower, and airport capital projects, these economic units created Directed Benefits of:

- **\$55.4 Million Gross Revenues**
- **\$20.0 Million Earnings**
- **617 On-Airport jobs**

Businesses on the airport include a diverse array of aviation firms engaged in aircraft maintenance, modification, testing, pilot training, avionics and air ambulance services. On airport employers purchased supplies and materials during the year valued at \$20 million.

## **Indirect Benefits: Air Visitors**

Visitors traveling for business or personal reasons, arriving in the region by air carrier or general aviation aircraft, spent for lodging, food and drink, entertainment (such as golf and local attractions), retail goods and services, and ground transportation including auto rental and taxis.

Air travelers include testing crews, air show participants, and visitors arriving by general aviation aircraft. Visitors created Indirect Benefits of:

- **\$2.8 Million Gross Revenues**
- **\$674,000 Earnings**
- **41 Jobs in the Hospitality Sector**

During FY 1998 there were 9,600 transient (visiting) general aviation aircraft and more than 20,000 air travelers that arrived at Williams Gateway Airport.

Combined Direct and Indirect Benefits summed to Primary Benefits of:

- **\$58.1 Million Gross Revenues**
- **\$20.7 Million Earnings**
- **658 Jobs**

These measures represent the "first round" revenues, earnings, and jobs in the Williams Gateway Airport service area due to the presence of the airport. This economic activity would not have taken place without the airport, the aviation services provided there, and spending by users of these services.

## **Induced Benefits: Multiplier Effects**

After the initial aviation dollars were spent in the airport service area by suppliers or users of aviation services, they continued to circulate in the region, creating additional or "induced" output, jobs and earnings. Multipliers for six aviation related sectors (transportation, lodging, retail, eating places, entertainment, and construction) for Arizona produced by the U. S. Department of Commerce were used, after adjustment to account for "leakages" that occur as initial dollars are re-spent outside the service area. These service area multipliers were applied to estimate Induced Benefits.

The initial revenue stream of \$58.1 million created by the presence of Williams Gateway Airport stimulated induced revenues in the airport service area of \$56.7 million, creating an additional 562 jobs with earnings of \$14.4 million.

## **Total Benefits**

The sum of Direct, Indirect and Induced Benefits is the Total Benefits of \$114.8 million gross revenues, \$35.1 million in earnings, and 1,220 jobs supported.

## ECONOMIC BENEFITS

This section provides more detail on the components of the benefits of Williams Gateway Airport, including the Direct Benefits of on-airport operations, the Indirect Benefits from visitor spending, and the Induced Benefits due to multiplier effects.

### **DIRECT BENEFITS: AIRPORT OPERATIONS**

Table 2 illustrates the Direct Benefits from the annual operation of Williams Gateway Airport. Data on revenues, employment and earnings were obtained from a mail survey and interviews conducted with airport tenants.

#### **Revenues**

On-airport private aviation operations created gross revenues of \$42.7 million in FY 1998. There were 23 private employers on the airport during the fiscal year 1998 study period.

There are both manufacturing and services firms located on the airport. Manufacturing firms produce and test aviation products, typically utilizing highly advanced technologies. Examples are flight simulators, experimental aircraft, electronic assemblies, engine parts, avionics systems, guidance equipment and safety systems.

Services producing revenue on the airport included air cargo, food services, auto rental, general FBO services, air ambulance and pilot training.

Williams Gateway Airport also serves major aerospace firms as an aviation test facility. The level of activity varies over the year. In a typical

year there may be five to ten testing periods at the airport by major manufacturing firms who have an impact on the economy through the rental of specialized equipment, hiring of personnel, and purchases of large quantities of aviation fuel.

The operating revenues and budgets of the Williams Gateway Airport Authority added more than three million dollars (net of local government contributions). The major sources of revenue to the Airport Authority included fuel operations, lease income, and various contracts with airport users. The Airport Authority and tower budget combined to add \$4,477,000 to gross revenues on the airport from government.

Capital projects on the airport for fiscal year 1998 of \$8,147,000 are included as revenues flowing into the service area. These outlays primarily were targeted toward improvement of airport infrastructure and safety such as runway reconstruction and lighting projects.

#### **Employment and Earnings**

Private aviation employment on the airport was 428 workers, bringing home annual earnings of \$14.1 million. This figure does not include construction workers employed on various capital improvement projects.

With the addition of construction workers, the private employment on the airport was 536 workers. Thus, the private sector (including construction) accounted for more than 85 percent of on-airport jobs. The largest single category of workers on the airport was industrial employment (256) associated with aerospace manufacturing and research firms. There were 172 private sector employees providing various types of aviation related services, including air ambulance services.

The average salary for employees at private firms was \$32,939 (not including construction workers). This figure was influenced by the presence of technology professionals, technicians

and engineers associated with advanced technology firms located on the airport.

### Construction

There were an estimated 108 construction jobs on the airport during FY 1998, earning a payroll of more than \$3 million. This is an average figure for the year, and in some months actual employment varied significantly.

### Summary of Direct Benefits

The sum of aviation and construction activity at Williams Gateway Airport created Direct Benefits of \$55.4 million in revenues to private businesses and government agencies. These revenues supported employment of 617 workers on the airport, with earnings of \$20 million.

**TABLE 2**  
**Direct Benefits from Airport Operations:**  
**Revenues, Earnings and Employees**  
**Williams Gateway Airport**

	BENEFIT MEASURES		
	Gross Revenues	Earnings	Employees
<b>Airport Businesses</b>  FBO Services Air Ambulance Air Cargo Aviation Businesses Aircraft Testing	\$ 42,739,000	\$14,098,000	428
<b>Government Agencies</b>  Airport Administration Tower	4,477,000	2,635,000	81
<b>Capital Projects</b>	8,147,000	3,259,000	108
<b>DIRECT BENEFITS</b>	<b>\$55,363,000</b>	<b>\$19,992,000</b>	<b>617</b>

Source: Survey of airport employers, 1998.

## INDIRECT BENEFITS: AIR TRAVELERS

Williams Gateway Airport attracts visitors from throughout the Western region and the nation who come to the area for both business and personal travel. This section provides detail on benefits from general aviation flyers, aviation testing crews and the annual air show.

### General Aviation Visitors

Total transient GA arrivals were estimated as 9,600 aircraft for FY 1998. Some visitors stop only briefly at the airport, some stay for most of a day, and some stay overnight. Overnight visitors represented 20 percent and day visitors made up 80 percent of the total transient GA aircraft arriving at Williams Gateway Airport.

Annual events such as the Fiesta Bowl, and the winter tourist season usually bring a surge in visiting GA aircraft. The growing importance of the East Valley as a center for high technology manufacturing and the dynamic economy of the region attract business flyers throughout the year.

A questionnaire was administered to air travelers to gather information on purpose of travel, length of stay, destination, and expenditures by category of spending for visitors. Separate analyses were conducted for those travelers who reported an overnight stay and those whose visit was one day or less in duration.

### Overnight Visitors

The travel patterns underlying the calculation of overnight GA visitor economic benefits are shown in Table 3. There were 1,920 overnight aircraft at Williams Gateway Airport during FY 1998. The average travel party was 2.3 persons, which yields 4,416 visitors arriving by general aviation aircraft. The average stay in the East Valley area was 2.8 nights. Multiplying 2.8 by

4,416 visitors gives visitor days of 12,365 for those travelers who stayed overnight in the area.

**TABLE 3**  
**General Aviation Overnight Visitors**  
**Williams Gateway Airport**

Item	Annual Value
Overnight Transient AC	1,920
Avg. Party Size	2.3
Number of GA Visitors	4,416
Average Stay (nights)	2.8
Spending per Aircraft	\$715
Total Expenditures	\$1,373,000
Source: Visitor survey, 1998	

The leading reason for travel stated on the survey forms completed by aircraft owners was "personal or family visit" (47%). Next in importance was "tourism" (26%), followed by "business" (22%) and "fuel stop" (5%).

Most travel parties reported that they visited multiple destinations while in the metropolitan area. Mesa was listed as a destination by 74 percent of travelers; other East Valley locations were visited by 47 percent; and Phoenix was visited by 53 percent (the survey allowed for multiple responses that summed to exceed 100 percent).

Each arriving overnight aircraft at Williams Gateway Airport had an economic value of \$715 in spending. Multiplying \$715 per aircraft by 1,920 aircraft yields total overnight visitor revenues of \$1,373,000.

Detail on spending per overnight aircraft is shown in Table 4. The largest single spending category is lodging, which accounted for 35 cents of each

visitor dollar and averaged \$250 per aircraft per trip. Total lodging expenditures for the study period by overnight GA visitors exceeded \$480,000.

**TABLE 4**  
**Spending Per Overnight Aircraft**  
**Williams Gateway Airport**

Category	Spending	Percent
Lodging	\$250	35
Food/Drink	157	22
Retail	115	16
Entertainment	93	13
Transportation	100	14
<b>TOTAL</b>	<b>\$715</b>	<b>100</b>
Note: Expenditures per aircraft are for all survey respondents, including those who had no outlays for some of the categories shown.		
Source: Visitor survey 1998		

Those visitors traveling for personal reasons were often visiting friends and relatives. Many of these travelers reported no expenditures for lodging and, occasionally, food. It should be noted that this is somewhat of an understatement of the actual impact of their visit, since the laundry costs, water use, and grocery bill of their host was very likely increased during the time of the visit.

Approximately 30 percent of travelers reported no outlays for lodging and these zero values influenced the spending per aircraft for lodging. The average lodging outlay for those respondents who stayed at a hotel or motel was \$536 during their trip to the area.

Spending for food and drink accounted for 22 percent of the visitors' costs while in the Williams Gateway Airport area. The average outlay for food and drink per aircraft was \$157, or \$24 per person per day during the trip.

The retail and entertainment categories tended to have wider variations in reported spending by survey respondents. Business travelers often reported no outlays in either category, while one tourist travel party reported spending \$1,000 in entertainment during their stay.

The average outlay per aircraft for retail spending was \$115, or \$18 per person per day. The average spending on entertainment was lower, at \$93 per aircraft and \$14 per person per day. Ground transportation (auto rental and taxi) accounted for 14 cents of each dollar spent by overnight visitors. Average transport spending per aircraft was \$100.

#### Day Visitors

According to FBO personnel, eight out of ten transient general aviation visitors to Williams Gateway Airport stayed in the service area for one day or less. In 1998, it is estimated that there were 7,680 aircraft that stopped at the airport for one day while the travel party conducted business or pursued a personal activity (Table 5).

With an average travel party size of 2.3 persons, the number of visitor days created by one day aircraft was 17,664. These visitors spent an amount estimated at \$34 per person per day, or an outlay for 2.3 persons per aircraft of \$78.

**TABLE 5**  
General Aviation Day Visitors  
Williams Gateway Airport

Item	Annual Value
One Day Transient AC	7,680
Avg. Party Size	2.3
Number of GA Visitors	17,664
Average Stay (Days)	1
Spending per Aircraft	\$78
Total Expenditures	\$601,000
Source: Visitor survey, 1998	

The largest category of spending by one day visiting travel parties is food and drink, which accounts for more than one third of the total outlays (Table 6). Spending for all categories sums to \$78 per aircraft while in the Williams Gateway Airport service area.

With an average of 21 general aviation day visitor aircraft arriving each day of the year, the average daily impact from these travelers exceeds \$1,600. General aviation day visitors spent \$601,000 in the Williams Gateway Airport service area during FY 1998.

Comparing day visitor spending to overnight visitor spending, the overnight visitor total is twice that of the one day visitors, although there are four times as many one day aircraft.

#### COMBINED GA VISITOR BENEFITS

Table 7 shows the economic benefits resulting from spending in the region by combined overnight and day general aviation visitors arriving at Williams Gateway Airport.

There were 1,920 arriving overnight general aviation aircraft and 7,680 one day aircraft in FY 1998. Each overnight travel party spent a reported average of \$715 during their trip to the Williams Gateway Airport service area and travelers on each day visitor aircraft spent an estimated \$78 per trip.

Multiplying the expenditures for each category of spending by the number of aircraft yields the total outlays for lodging, food and drink, transportation, entertainment, and retail spending due to GA visitors during the year.

Gross revenues from air visitor spending on goods and services during FY 1998 summed to nearly two million dollars. This figure is important in computing economic benefits since total spending supports jobs in the local economy. Moreover,

**TABLE 6**  
Spending Per Day Visitor Aircraft  
Williams Gateway Airport

Category	Spending	Percent
Lodging	0	
Food/Drink	26	34
Retail	19	25
Entertainment	16	20
Transportation	17	22
TOTAL	\$78	100
Note: Expenditures per aircraft are for all survey respondents, including those who had no outlays for some of the categories shown.		
Source: Visitor survey 1998		

sales and other taxes generated by visitors are based on total revenues.

There were a total of 30,029 visitor days attributable to the presence of Williams Gateway Airport during the year. On an average day, there were 82 visitors in the survey area that had arrived via GA aircraft at the airport.

Average daily spending by GA air travelers was \$5,400. The largest spending category was food

and drink, accounting for more than one half million dollars of revenues to service area eating and drinking establishments during the year.

While expenditures for food and drink made up one fourth of the total GA visitor spending during the FY 1998 study period, lodging was almost as great, accounting for 24 percent of visitor spending and amounting to more than \$480,000.

**TABLE 7**  
**Indirect Benefits**  
**Expenditures By General Aviation Visitors: FY 1998**  
**Williams Gateway Airport**

Category	Number of Aircraft		Expenditures per Trip		Gross Revenues
	Overnight	Day	Overnight	Day	
Lodging	1,920		\$250		\$480,000
Food/Drink	1,920	7,680	157	\$26	505,000
Retail Sales	1,920	7,680	115	19	367,000
Entertainment	1,920	7,680	93	16	299,000
Ground Transport	1,920	7,680	100	17	322,000
<b>TOTAL</b>			<b>\$715</b>	<b>\$78</b>	<b>\$1,973,000</b>

Source: Derived from Visitor Survey and Williams Gateway Airport Authority data, 1998

### Earnings and Employment Benefits

Table 8 presents the Indirect Benefits of combined overnight and day GA visitor spending on employment and earnings in the Williams Gateway Airport service area.

Of the gross revenues of \$1,973,000 created by GA visitors, an average of 23 cents of each dollar stayed in the local economy as earnings to employees (\$462,000) whose jobs were supported by this spending.

Based on average salaries as shown in Table 8 for each category of spending, an estimated 30 jobs in the Williams Gateway Airport service area were related to GA visitor spending.

With spending on food and drink exceeding one half million dollars, air traveler outlays supported 12 employees in eating and drinking establishments with annual earnings of \$126,000 for the FY 1998 year.

The highest earnings in the hospitality industry were in the lodging sector, at \$135,000. Although entertainment and ground transport-

ation had the highest salaries, the relatively lower gross revenues due to visitor expenditures influenced the number of jobs created. Visitor spending supported 4 jobs in ground transportation, 3 in entertainment, and 3 in retailing.

### Testing and Air Show Visitors

There were two other sources of visitors to Williams Gateway Airport in FY 1998 that created revenues, earnings and employment for workers in the airport service area: aviation testing and the annual air show event.

**TABLE 8**  
**Indirect Benefits**  
**Revenues, Earnings and Employment From GA Visitors: FY 1998**  
**Williams Gateway Airport**

	Gross Revenues	Earnings	Average Salary	Employment
Lodging	\$480,000	\$ 135,000	\$ 17,128	8
Food/Drink	505,000	126,000	10,160	12
Retail Sales	367,000	44,000	17,540	3
Entertainment	299,000	77,000	20,975	3
Ground Transport	322,000	80,000	20,475	4
<b>TOTAL</b>	<b>\$1,973,000</b>	<b>\$ 462,000</b>		<b>30</b>

Note: Some columns may not compute exactly due to rounding. Earnings column derived from "percent to labor" data reported in *Census of Retail Trade* and *Census of Service Industries*, U. S. Department of Commerce. Percentages are lodging 28%; food service 25%; retail 12%; entertainment 26%; ground transport 25%. Salaries are from *County Business Patterns*, U.S. Census Bureau, 1995, converted to 1998 wage rates for Maricopa County. Employment is not necessarily full time equivalents; includes full and some part time workers, figures rounded to head counts

## Aviation Testing

Professional staff associated with testing missions can range from 50 to 100 persons who stay in the area for several weeks. These workers make purchases in the area for supplies, equipment, and consulting personnel, as well as outlays for day to day living expenses during the testing period. During FY 1998 there were 2,950 visitor days accounted for by members of test teams who stayed in area hotels and used local services.

Total revenues from aviation testing summed to \$412,000, creating \$111,000 in earnings and supporting 7 jobs in the region.

## TAX BENEFITS

Because of the flow of spending created by the presence of Williams Gateway Airport, the facility is an important source of public revenues. (Tax revenues are in addition to various fees paid by aircraft owners and other users of the airport.)

In FY 1998, an estimated \$13.2 million of tax revenues were collected as a result of total economic activity related to the airport. On-airport activity alone created \$6.3 million of tax revenues (not including construction activity).

## Air Show

The economic benefits from the spring air show event are calculated by the sponsors. For FY 1998 the estimated attendance at the event was 66,322. Patrons, performers, crew and other visitors booked more than 3,000 hotel nights during the event.

The estimated expenditures on lodging, food and ground transport were \$372,000, creating earnings of \$100,000 and supporting a work force equivalent to 4 person-years of employment.

Air visitor revenues from all sources were \$2.8 million for FY 1998 with 41 jobs (Table 1).

Estimates in Table 9 were based on ratios provided by the Joint Legislative Budget Committee. The Mesa portion of sales tax assumes 74 percent of airport-related payroll is spent in Mesa, based on the 74 percent of air visitors that mentioned Mesa as the destination for their travel while in the area.

Property taxes are based on 60 percent employee home ownership and an average value of \$110,000. Property tax rates for Arizona were provided by the Arizona Tax Research Foundation and represent an Arizona average that may not apply specifically to any locality.

**TABLE 9**  
**Tax Benefits From Aviation: FY 1998**  
**Williams Gateway Airport**

	On Airport Benefits	Total Benefits
Employees	509	1,220
Payroll Earned	\$16,733,000	\$35,072,000
Total Revenues	55,363,000	114,796,000
Arizona Income Taxes	368,134	771,587
Sales Taxes	1,213,169	2,542,730
Arizona	836,668	1,753,607
Maricopa County	125,500	263,041
Mesa	123,827	259,534
Other Areas	127,174	266,548
Fuel Taxes	61,080	146,400
Property Taxes	375,642	900,360
Business Taxes	3,044,960	6,313,808
<b>TOTAL TAXES</b>	<b>\$6,276,155</b>	<b>\$13,217,615</b>

### SUMMARY AND FUTURE IMPACTS

Airports are available to serve the flying public every day of the year. On a typical day at Williams Gateway Airport, there are more than 500 operations by aircraft in use for business, recreation, and training flights.

During each day of the year in FY 1998, Williams Gateway Airport generated \$314,510 gross revenues within its service area (see box). Revenues and production support jobs, not only for the suppliers and users of aviation services,

but throughout the economy. Each day Williams Gateway Airport provides 509 aviation related jobs directly on the airport and in total supports 1,220 local jobs in the airport service area. These workers brought home daily earnings of \$96,000 for spending in the community in 1998.

Table 10 shows a summary of economic benefits associated with Williams Gateway Airport in FY 1998. As aviation activity increases at the airport, the economic benefits may be expected to increase.

A significant economic benefit will be realized from passenger service on charter and scheduled airlines in future years. Table 11 shows projected revenues from visitor spending for the years

between 2000 and 2020. The estimates are based on an assumption that 49 percent of enplaning passengers will be visitors (similar to the profile of passengers at John Wayne Airport in Orange County California).

Visitor spending patterns for Maricopa County from the Phoenix and Valley of the Sun Visitors and Convention Bureau were applied to estimate benefits. The average stay of these visitors is 3.5 days and spending is \$120 per person per day, averaged over those traveling for business and/or personal reasons.

In the year 2000 it is projected that there will be 49,000 visitors spending \$20.6 million in the area. By the year 2020 the number of enplanements is 2,000,000 and the number of visitors is 980,000. Visitor spending (in constant 1998 dollars) rises to \$411.6 million.

Estimated future benefits of the airport in the year 2005 are based on growth of operations of 2.1 percent per year and an increase in enplanements to 250,000. Assuming commerce on the airport and in the community increases at the same pace, employment from airport operations will rise to 620 workers. Note this is extremely conservative due to the growth in the area and the large amount

of commercial land available on the airport. On-airport employment estimates are based on the unlikely assumption of no new businesses.

Jobs related to air visitors will increase to 770 (Table 12). Visitor spending will rise to \$51 million (measured in 1998 dollars) and the gross revenues due to the presence of the airport will increase to \$215 million. (These figures do not include annual capital spending by the Airport Authority to be determined in the Master Plan.)

The benefits for the year 2010 are based on 650,000 enplanements (Table 13). On-airport employment will rise to 685 workers and the employment impact with multiplier effects is 24,985 total jobs. Visitor spending exceeds \$133 million and gross revenues will rise to \$390 million.

The projected benefits for 2020 are based on enplanements of 2 million and visitor spending of \$411 million (Table 14). At this scope of activity, the airport has a potential economic benefit of \$964 million in gross revenues.. Accounting for all multiplier effects, jobs supported in the Williams Gateway Airport service area under the 2020 assumptions total 12,964.

# Williams Gateway Airport

## Daily Economic Benefits

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- **\$314,510 Gross Revenues**
- **1,220 Local Jobs Supported**
- **\$96,000 Payroll Earned**
- **\$56,000 Supplies Purchased**
- **\$7,557 Visitor Spending**

**TABLE 10**  
**Summary of Economic Benefits: FY 1998**  
**Williams Gateway Airport**

	Gross Revenues	Earnings	Employment
Airport Operations	\$47,216,020	\$16,733,368	509
Capital Projects	8,146,897	3,258,759	108
Air Visitors	2,758,478	674,037	41
<i>Subtotal</i>	<i>\$58,121,395</i>	<i>\$20,666,164</i>	<i>658</i>
Induced Benefits	56,675,118	14,405,967	562
Total Benefits	\$114,796,513	\$35,072,132	1,220

**Note:** Revenues, earnings and employment for FY 1998 reflect activity and spending associated with 155,408 operations.

**TABLE 11**  
**Projected Benefits From Airline Travelers**  
**Williams Gateway Airport**

	2000	2005	2010	2015	2020
Enplanements	100,000	250,000	650,000	1,200,000	2,000,000
Visitors	49,000	122,500	318,500	588,000	980,000
	<b>Revenues From Airline Visitor Spending (Millions of \$1998)</b>				
Lodging	\$7.2	\$18.0	\$46.8	\$86.4	\$144.1
Food & Drink	4.5	11.3	26.4	54.3	90.5
Retail	3.3	8.2	21.4	39.5	65.9
Entertainment	2.8	6.7	17.4	32.1	53.5
Ground Transport	2.8	7.2	18.7	34.6	57.6
<b>GROSS REVENUES</b>	<b>\$20.6</b>	<b>\$51.4</b>	<b>\$133.7</b>	<b>\$246.9</b>	<b>\$411.6</b>

**TABLE 12**  
**Projections of Future Economic Benefits (\$1998): 2005**  
**Williams Gateway Airport**

	Gross Revenues	Earnings	Employment
Airport Operations	\$57,509,112	\$20,381,242	620
Capital Projects			
Air Visitors	51,450,000	12,571,873	770
<i>Subtotal</i>	<i>108,959,112</i>	<i>32,953,115</i>	<i>1,390</i>
Induced Benefits	106,247,804	22,970,954	1,188
<b>Total Benefits</b>	<b>\$215,206,916</b>	<b>\$55,924,069</b>	<b>2,578</b>
<b>Note: Revenues, earnings and employment for 2005 are based on activity and spending associated with 250,000 enplanements.</b>			

**TABLE 13**  
**Projections of Future Economic Benefits (\$1998): 2010**  
**Williams Gateway Airport**

	<b>Gross Revenues</b>	<b>Earnings</b>	<b>Employment</b>
Airport Operations	\$63,547,569	\$22,521,273	685
Capital Projects			
Air Visitors	133,770,000	32,686,869	2,003
<i>Subtotal</i>	<i>197,317,569</i>	<i>55,208,142</i>	<i>2,688</i>
Induced Benefits	192,407,572	38,484,485	2,297
Total Benefits	\$389,725,141	\$93,692,627	4,985

Note: Revenues, earnings and employment for 2010 are based on activity and spending associated with 650,000 enplanements.

**TABLE 14**  
**Projections of Future Economic Benefits (\$1998):2020**  
**Williams Gateway Airport**

	<b>Gross Revenues</b>	<b>Earnings</b>	<b>Employment</b>
Airport Operations	\$76,765,464	\$27,205,697	828
Capital Projects			
Air Visitors	411,600,000	100,574,983	6,163
<i>Subtotal</i>	<i>488,365,464</i>	<i>127,780,680</i>	<i>6,991</i>
Induced Benefits	476,213,109	89,073,342	5,973
Total Benefits	\$964,578,573	\$216,854,022	12,964

Note: Revenues, earnings and employment for Long Term are based on activity and spending associated with 2,000,000 enplanements.

# **APPENDIX**

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## **WILLIAMS GATEWAY AIRPORT**

### **ECONOMIC BENEFIT STUDY**

#### **SURVEY FORMS**

# WILLIAMS GATEWAY AIRPORT ECONOMIC BENEFIT STUDY

***To All Airport Employers and Tenants:***

***An Economic Benefit Study for Williams Gateway Airport will be included as part of the Master Plan now being prepared. Your cooperation is very much needed to compile meaningful economic data about the airport. This survey of employers will be handled with the strictest confidentiality by an independent consultant and only aggregate numbers will be used in publishing the data. If you have questions about the survey, please call Mary Baldwin, Williams Gateway Airport Authority, at 602-988-1013. Please return the survey form in the postage paid return envelope within ten days.***

1. Please describe your **main business activity** (restaurant, aircraft maintenance, etc.)

Type of business:

2. How many **employees** do you have on the payroll at this time? Full Time \_\_\_\_\_  
Part Time \_\_\_\_\_

3. Please estimate your **1998 payroll** \$ \_\_\_\_\_

4. Please estimate your **1998 operating costs** (do not include payroll but do include **cost of utilities, goods and services**) \$ \_\_\_\_\_

5. Please estimate **1998 total sales** for your business

- a. EITHER indicate amount if you can release it \$ \_\_\_\_\_

- b. OR mark appropriate range on scale below

0	25	50	75	100	200	400	500	750	1	2	5	10
(\$ Thousands)									(\$ Millions)			

6. What **percentage** of your total sales consists of **taxable sales**? \_\_\_\_\_ %

***Thank you for your cooperation!***

## WILLIAMS GATEWAY AIRPORT BASED AIRCRAFT SURVEY

**Dear Aircraft Owner:**

***An Economic Benefit Study for Williams Gateway Airport will be included as part of the Master Plan now being prepared. Your cooperation is very much needed to compile meaningful economic data about the airport. This survey of aircraft owners will be handled with the strictest confidentiality by an independent consultant and only aggregate numbers will be used in publishing the data. If you have questions about the survey, please call Mary Baldwin, Williams Gateway Airport Authority, at 602-988-1013. Please return the survey form in the postage paid return envelope within ten days.***

1. How many aircraft do you have based at Williams Gateway Airport? \_\_\_\_\_

2. Please estimate the market value of your aircraft. \_\_\_\_\_

3. Please estimate your annual outlays for fuel, maintenance, insurance, storage and other expenses associated with your aircraft. \_\_\_\_\_

4. Please estimate the annual number of (non- training) trips in your aircraft.

Business \_\_\_\_\_ Personal \_\_\_\_\_

5. Please estimate average ROUND TRIP MILEAGE for a typical (non-training) trip.

Business \_\_\_\_\_ Personal \_\_\_\_\_

6. What was the average number of persons on a typical trip?

Business \_\_\_\_\_ Personal \_\_\_\_\_

7. Considering the location of your personal residence, how important is the airport as a factor determining where you have decided to live?

Very Important \_\_\_\_ Important \_\_\_\_ Slightly Important \_\_\_\_ Not Important \_\_\_\_

8. Considering your business or employment, how important is the airport as a factor determining the location, operation and success of this business?

Very Important \_\_\_\_ Important \_\_\_\_ Slightly Important \_\_\_\_ Not Important \_\_\_\_

9. If the airport is important to your business or employment, please provide the information below:

Number of Employees at Your Business \_\_\_\_\_ Annual Sales \_\_\_\_\_

***Thank you for your cooperation!***

# WILLIAMS GATEWAY AIRPORT GA VISITOR SURVEY

**Dear Aircraft Owner:**

Your aircraft appears on our listing of visitors to Williams Gateway Airport during the past year. We are asking your assistance in completion of this **confidential** questionnaire to measure the economic benefits from spending by GA visitors. The information will help us improve services for General Aviation travelers as we develop the airport Master Plan. If you have questions about the survey, please call Mary Baldwin, Williams Gateway Airport Authority, at 602 - 988 -1013. **Please return the survey form in the enclosed envelope within ten days.**

1. What was the main **purpose** of your most recent visit to the Williams Gateway area?

Fuel stop only \_\_\_\_\_ Business trip \_\_\_\_\_ Tourism/sightseeing \_\_\_\_\_ Personal/family visit \_\_\_\_\_

2. How many **people** were in your travel party? Circle : 1 2 3 4 or more (specify) \_\_\_\_\_

3. What **communities** did you visit while in the area? Did not leave airport \_\_\_\_\_

Mesa \_\_\_\_\_ Other East Valley \_\_\_\_\_ Phoenix \_\_\_\_\_ Other (specify) \_\_\_\_\_

4. Did you stay at a home or property you own in the area? Yes \_\_\_\_\_ No \_\_\_\_\_

5. How many **nights** did you stay in the Greater Phoenix area?

Circle: None (day trip) 1 2 3 4 or more (specify) \_\_\_\_\_

6. Please estimate **spending by your ENTIRE TRAVEL PARTY** on your visit. Do not include expenditures for aircraft fuel or FBO services. Please circle the closest figure.

**Hotel/Lodging:**

None \$50 75 100 125 150 200 300 400 500 600 700 800 or more (specify) \_\_\_\_\_

**Restaurant Food and Drink:**

None \$10 25 50 75 100 125 150 175 200 300 400 500 600 or more (specify) \_\_\_\_\_

**Retail Spending for Goods and Services (include groceries but not entertainment)**

None \$10 25 50 75 100 125 150 175 200 300 400 500 600 or more (specify) \_\_\_\_\_

**Entertainment (Golf, Movies, etc.):**

None \$10 25 50 75 100 125 150 175 200 300 400 500 600 or more (specify) \_\_\_\_\_

**Ground Transportation Including Auto Rental:**

None \$10 25 50 75 100 125 150 175 200 300 400 500 600 or more (specify) \_\_\_\_\_

**Please Use Other Side For Comments or Suggestions About Airport**

**Thank you for your cooperation!**